

113TH CONGRESS
2D SESSION

H. R. 1872

AN ACT

To amend the Balanced Budget and Emergency Deficit Control Act of 1985 to increase transparency in Federal budgeting, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Budget and Account-
3 ing Transparency Act of 2014”.

4 **TITLE I—FAIR VALUE**
5 **ESTIMATES**

6 **SEC. 101. CREDIT REFORM.**

7 (a) IN GENERAL.—Title V of the Congressional
8 Budget Act of 1974 is amended to read as follows:

9 **“TITLE V—FAIR VALUE**

10 **“SEC. 500. SHORT TITLE.**

11 “‘This title may be cited as the ‘Fair Value Account-
12 ing Act of 2014’.

13 **“SEC. 501. PURPOSES.**

14 “The purposes of this title are to—

15 “(1) measure more accurately the costs of Fed-
16 eral credit programs by accounting for them on a
17 fair value basis;

18 “(2) place the cost of credit programs on a
19 budgetary basis equivalent to other Federal spend-
20 ing;

21 “(3) encourage the delivery of benefits in the
22 form most appropriate to the needs of beneficiaries;
23 and

24 “(4) improve the allocation of resources among
25 Federal programs.

1 **“SEC. 502. DEFINITIONS.**

2 “For purposes of this title:

3 “(1) The term ‘direct loan’ means a disburse-
4 ment of funds by the Government to a non-Federal
5 borrower under a contract that requires the repay-
6 ment of such funds with or without interest. The
7 term includes the purchase of, or participation in, a
8 loan made by another lender and financing arrange-
9 ments that defer payment for more than 90 days, in-
10 cluding the sale of a Government asset on credit
11 terms. The term does not include the acquisition of
12 a federally guaranteed loan in satisfaction of default
13 claims or the price support loans of the Commodity
14 Credit Corporation.

15 “(2) The term ‘direct loan obligation’ means a
16 binding agreement by a Federal agency to make a
17 direct loan when specified conditions are fulfilled by
18 the borrower.

19 “(3) The term ‘loan guarantee’ means any
20 guarantee, insurance, or other pledge with respect to
21 the payment of all or a part of the principal or inter-
22 est on any debt obligation of a non-Federal borrower
23 to a non-Federal lender, but does not include the in-
24 surance of deposits, shares, or other withdrawable
25 accounts in financial institutions.

1 “(4) The term ‘loan guarantee commitment’
2 means a binding agreement by a Federal agency to
3 make a loan guarantee when specified conditions are
4 fulfilled by the borrower, the lender, or any other
5 party to the guarantee agreement.

6 “(5)(A) The term ‘cost’ means the sum of the
7 Treasury discounting component and the risk com-
8 ponent of a direct loan or loan guarantee, or a modi-
9 fication thereof.

10 “(B) The Treasury discounting component shall
11 be the estimated long-term cost to the Government
12 of a direct loan or loan guarantee, or modification
13 thereof, calculated on a net present value basis, ex-
14 cluding administrative costs and any incidental ef-
15 fects on governmental receipts or outlays.

16 “(C) The risk component shall be an amount
17 equal to the difference between—

18 “(i) the estimated long-term cost to the
19 Government of a direct loan or loan guarantee,
20 or modification thereof, estimated on a fair
21 value basis, applying the guidelines set forth by
22 the Financial Accounting Standards Board in
23 Financial Accounting Standards #157, or a
24 successor thereto, excluding administrative

1 costs and any incidental effects on govern-
2 mental receipts or outlays; and

3 “(ii) the Treasury discounting component
4 of such direct loan or loan guarantee, or modi-
5 fication thereof.

6 “(D) The Treasury discounting component of a
7 direct loan shall be the net present value, at the time
8 when the direct loan is disbursed, of the following
9 estimated cash flows:

10 “(i) Loan disbursements.

11 “(ii) Repayments of principal.

12 “(iii) Essential preservation expenses, pay-
13 ments of interest and other payments by or to
14 the Government over the life of the loan after
15 adjusting for estimated defaults, prepayments,
16 fees, penalties, and other recoveries, including
17 the effects of changes in loan terms resulting
18 from the exercise by the borrower of an option
19 included in the loan contract.

20 “(E) The Treasury discounting component of a
21 loan guarantee shall be the net present value, at the
22 time when the guaranteed loan is disbursed, of the
23 following estimated cash flows:

24 “(i) Payments by the Government to cover
25 defaults and delinquencies, interest subsidies,

1 essential preservation expenses, or other pay-
2 ments.

3 “(ii) Payments to the Government includ-
4 ing origination and other fees, penalties, and re-
5 coveries, including the effects of changes in loan
6 terms resulting from the exercise by the guar-
7 anteed lender of an option included in the loan
8 guarantee contract, or by the borrower of an
9 option included in the guaranteed loan contract.

10 “(F) The cost of a modification is the sum of—

11 “(i) the difference between the current es-
12 timate of the Treasury discounting component
13 of the remaining cash flows under the terms of
14 a direct loan or loan guarantee and the current
15 estimate of the Treasury discounting component
16 of the remaining cash flows under the terms of
17 the contract, as modified; and

18 “(ii) the difference between the current es-
19 timate of the risk component of the remaining
20 cash flows under the terms of a direct loan or
21 loan guarantee and the current estimate of the
22 risk component of the remaining cash flows
23 under the terms of the contract as modified.

24 “(G) In estimating Treasury discounting com-
25 ponents, the discount rate shall be the average inter-

1 est rate on marketable Treasury securities of similar
2 duration to the cash flows of the direct loan or loan
3 guarantee for which the estimate is being made.

4 “(H) When funds are obligated for a direct loan
5 or loan guarantee, the estimated cost shall be based
6 on the current assumptions, adjusted to incorporate
7 the terms of the loan contract, for the fiscal year in
8 which the funds are obligated.

9 “(6) The term ‘program account’ means the
10 budget account into which an appropriation to cover
11 the cost of a direct loan or loan guarantee program
12 is made and from which such cost is disbursed to
13 the financing account.

14 “(7) The term ‘financing account’ means the
15 nonbudget account or accounts associated with each
16 program account which holds balances, receives the
17 cost payment from the program account, and also
18 includes all other cash flows to and from the Gov-
19 ernment resulting from direct loan obligations or
20 loan guarantee commitments made on or after Octo-
21 ber 1, 1991.

22 “(8) The term ‘liquidating account’ means the
23 budget account that includes all cash flows to and
24 from the Government resulting from direct loan obli-
25 gations or loan guarantee commitments made prior

1 to October 1, 1991. These accounts shall be shown
2 in the budget on a cash basis.

3 “(9) The term ‘modification’ means any Gov-
4 ernment action that alters the estimated cost of an
5 outstanding direct loan (or direct loan obligation) or
6 an outstanding loan guarantee (or loan guarantee
7 commitment) from the current estimate of cash
8 flows. This includes the sale of loan assets, with or
9 without recourse, and the purchase of guaranteed
10 loans (or direct loan obligations) or loan guarantees
11 (or loan guarantee commitments) such as a change
12 in collection procedures.

13 “(10) The term ‘current’ has the same meaning
14 as in section 250(c)(9) of the Balanced Budget and
15 Emergency Deficit Control Act of 1985.

16 “(11) The term ‘Director’ means the Director
17 of the Office of Management and Budget.

18 “(12) The term ‘administrative costs’ means
19 costs related to program management activities, but
20 does not include essential preservation expenses.

21 “(13) The term ‘essential preservation ex-
22 penses’ means servicing and other costs that are es-
23 sential to preserve the value of loan assets or collat-
24 eral.

1 **“SEC. 503. OMB AND CBO ANALYSIS, COORDINATION, AND**
2 **REVIEW.**

3 “(a) IN GENERAL.—For the executive branch, the
4 Director shall be responsible for coordinating the esti-
5 mates required by this title. The Director shall consult
6 with the agencies that administer direct loan or loan guar-
7 antee programs.

8 “(b) DELEGATION.—The Director may delegate to
9 agencies authority to make estimates of costs. The delega-
10 tion of authority shall be based upon written guidelines,
11 regulations, or criteria consistent with the definitions in
12 this title.

13 “(c) COORDINATION WITH THE CONGRESSIONAL
14 BUDGET OFFICE.—In developing estimation guidelines,
15 regulations, or criteria to be used by Federal agencies, the
16 Director shall consult with the Director of the Congres-
17 sional Budget Office.

18 “(d) IMPROVING COST ESTIMATES.—The Director
19 and the Director of the Congressional Budget Office shall
20 coordinate the development of more accurate data on his-
21 torical performance and prospective risk of direct loan and
22 loan guarantee programs. They shall annually review the
23 performance of outstanding direct loans and loan guaran-
24 tees to improve estimates of costs. The Office of Manage-
25 ment and Budget and the Congressional Budget Office

1 shall have access to all agency data that may facilitate
2 the development and improvement of estimates of costs.

3 “(e) HISTORICAL CREDIT PROGRAMS COSTS.—The
4 Director shall review, to the extent possible, historical data
5 and develop the best possible estimates of adjustments
6 that would convert aggregate historical budget data to
7 credit reform accounting.

8 **“SEC. 504. BUDGETARY TREATMENT.**

9 “(a) PRESIDENT’S BUDGET.—Beginning with fiscal
10 year 2017, the President’s budget shall reflect the costs
11 of direct loan and loan guarantee programs. The budget
12 shall also include the planned level of new direct loan obli-
13 gations or loan guarantee commitments associated with
14 each appropriations request. For each fiscal year within
15 the five-fiscal year period beginning with fiscal year 2017,
16 such budget shall include, on an agency-by-agency basis,
17 subsidy estimates and costs of direct loan and loan guar-
18 antee programs with and without the risk component.

19 “(b) APPROPRIATIONS REQUIRED.—Notwithstanding
20 any other provision of law, new direct loan obligations may
21 be incurred and new loan guarantee commitments may be
22 made for fiscal year 2017 and thereafter only to the extent
23 that—

24 “(1) new budget authority to cover their costs
25 is provided in advance in an appropriation Act;

1 “(2) a limitation on the use of funds otherwise
2 available for the cost of a direct loan or loan guar-
3 antee program has been provided in advance in an
4 appropriation Act; or

5 “(3) authority is otherwise provided in appro-
6 priation Acts.

7 “(c) EXEMPTION FOR DIRECT SPENDING PRO-
8 GRAMS.—Subsections (b) and (e) shall not apply to—

9 “(1) any direct loan or loan guarantee program
10 that constitutes an entitlement (such as the guaran-
11 teed student loan program or the veteran’s home
12 loan guaranty program);

13 “(2) the credit programs of the Commodity
14 Credit Corporation existing on the date of enactment
15 of this title; or

16 “(3) any direct loan (or direct loan obligation)
17 or loan guarantee (or loan guarantee commitment)
18 made by the Federal National Mortgage Association
19 or the Federal Home Loan Mortgage Corporation.

20 “(d) BUDGET ACCOUNTING.—

21 “(1) The authority to incur new direct loan ob-
22 ligations, make new loan guarantee commitments, or
23 modify outstanding direct loans (or direct loan obli-
24 gations) or loan guarantees (or loan guarantee com-
25 mitments) shall constitute new budget authority in

1 an amount equal to the cost of the direct loan or
2 loan guarantee in the fiscal year in which definite
3 authority becomes available or indefinite authority is
4 used. Such budget authority shall constitute an obli-
5 gation of the program account to pay to the financ-
6 ing account.

7 “(2) The outlays resulting from new budget au-
8 thority for the cost of direct loans or loan guaran-
9 tees described in paragraph (1) shall be paid from
10 the program account into the financing account and
11 recorded in the fiscal year in which the direct loan
12 or the guaranteed loan is disbursed or its costs al-
13 tered.

14 “(3) All collections and payments of the financ-
15 ing accounts shall be a means of financing.

16 “(e) MODIFICATIONS.—An outstanding direct loan
17 (or direct loan obligation) or loan guarantee (or loan guar-
18 antee commitment) shall not be modified in a manner that
19 increases its costs unless budget authority for the addi-
20 tional cost has been provided in advance in an appropria-
21 tion Act.

22 “(f) REESTIMATES.—When the estimated cost for a
23 group of direct loans or loan guarantees for a given pro-
24 gram made in a single fiscal year is re-estimated in a sub-
25 sequent year, the difference between the reestimated cost

1 and the previous cost estimate shall be displayed as a dis-
 2 tinct and separately identified subaccount in the program
 3 account as a change in program costs and a change in
 4 net interest. There is hereby provided permanent indefi-
 5 nite authority for these re-estimates.

6 “(g) ADMINISTRATIVE EXPENSES.—All funding for
 7 an agency’s administrative costs associated with a direct
 8 loan or loan guarantee program shall be displayed as dis-
 9 tinct and separately identified subaccounts within the
 10 same budget account as the program’s cost.

11 **“SEC. 505. AUTHORIZATIONS.**

12 “(a) AUTHORIZATION FOR FINANCING ACCOUNTS.—
 13 In order to implement the accounting required by this
 14 title, the President is authorized to establish such non-
 15 budgetary accounts as may be appropriate.

16 “(b) TREASURY TRANSACTIONS WITH THE FINANC-
 17 ING ACCOUNTS.—

18 “(1) IN GENERAL.—The Secretary of the
 19 Treasury shall borrow from, receive from, lend to, or
 20 pay to the financing accounts such amounts as may
 21 be appropriate. The Secretary of the Treasury may
 22 prescribe forms and denominations, maturities, and
 23 terms and conditions for the transactions described
 24 in the preceding sentence, except that the rate of in-
 25 terest charged by the Secretary on lending to financ-

1 ing accounts (including amounts treated as lending
2 to financing accounts by the Federal Financing
3 Bank (hereinafter in this subsection referred to as
4 the ‘Bank’) pursuant to section 405(b)) and the rate
5 of interest paid to financing accounts on uninvested
6 balances in financing accounts shall be the same as
7 the rate determined pursuant to section 502(5)(G).

8 “(2) LOANS.—For guaranteed loans financed
9 by the Bank and treated as direct loans by a Fed-
10 eral agency pursuant to section 406(b)(1), any fee
11 or interest surcharge (the amount by which the in-
12 terest rate charged exceeds the rate determined pur-
13 suant to section 502(5)(G) that the Bank charges to
14 a private borrower pursuant to section 6(c) of the
15 Federal Financing Bank Act of 1973 shall be con-
16 sidered a cash flow to the Government for the pur-
17 poses of determining the cost of the direct loan pur-
18 suant to section 502(5). All such amounts shall be
19 credited to the appropriate financing account.

20 “(3) REIMBURSEMENT.—The Bank is author-
21 ized to require reimbursement from a Federal agen-
22 cy to cover the administrative expenses of the Bank
23 that are attributable to the direct loans financed for
24 that agency. All such payments by an agency shall
25 be considered administrative expenses subject to sec-

1 tion 504(g). This subsection shall apply to trans-
2 actions related to direct loan obligations or loan
3 guarantee commitments made on or after October 1,
4 1991.

5 “(4) AUTHORITY.—The authorities provided in
6 this subsection shall not be construed to supersede
7 or override the authority of the head of a Federal
8 agency to administer and operate a direct loan or
9 loan guarantee program.

10 “(5) TITLE 31.—All of the transactions pro-
11 vided in the subsection shall be subject to the provi-
12 sions of subchapter II of chapter 15 of title 31,
13 United States Code.

14 “(6) TREATMENT OF CASH BALANCES.—Cash
15 balances of the financing accounts in excess of cur-
16 rent requirements shall be maintained in a form of
17 uninvested funds and the Secretary of the Treasury
18 shall pay interest on these funds. The Secretary of
19 the Treasury shall charge (or pay if the amount is
20 negative) financing accounts an amount equal to the
21 risk component for a direct loan or loan guarantee,
22 or modification thereof. Such amount received by the
23 Secretary of the Treasury shall be a means of fi-
24 nancing and shall not be considered a cash flow of
25 the Government for the purposes of section 502(5).

1 “(c) AUTHORIZATION FOR LIQUIDATING AC-
2 COUNTS.—(1) Amounts in liquidating accounts shall be
3 available only for payments resulting from direct loan obli-
4 gations or loan guarantee commitments made prior to Oc-
5 tober 1, 1991, for—

6 “(A) interest payments and principal repay-
7 ments to the Treasury or the Federal Financing
8 Bank for amounts borrowed;

9 “(B) disbursements of loans;

10 “(C) default and other guarantee claim pay-
11 ments;

12 “(D) interest supplement payments;

13 “(E) payments for the costs of foreclosing,
14 managing, and selling collateral that are capitalized
15 or routinely deducted from the proceeds of sales;

16 “(F) payments to financing accounts when re-
17 quired for modifications;

18 “(G) administrative costs and essential preser-
19 vation expenses, if—

20 “(i) amounts credited to the liquidating ac-
21 count would have been available for administra-
22 tive costs and essential preservation expenses
23 under a provision of law in effect prior to Octo-
24 ber 1, 1991; and

1 “(ii) no direct loan obligation or loan guar-
2 antee commitment has been made, or any modi-
3 fication of a direct loan or loan guarantee has
4 been made, since September 30, 1991; or

5 “(H) such other payments as are necessary for
6 the liquidation of such direct loan obligations and
7 loan guarantee commitments.

8 “(2) Amounts credited to liquidating accounts in any
9 year shall be available only for payments required in that
10 year. Any unobligated balances in liquidating accounts at
11 the end of a fiscal year shall be transferred to miscella-
12 neous receipts as soon as practicable after the end of the
13 fiscal year.

14 “(3) If funds in liquidating accounts are insufficient
15 to satisfy obligations and commitments of such accounts,
16 there is hereby provided permanent, indefinite authority
17 to make any payments required to be made on such obliga-
18 tions and commitments.

19 “(d) REINSURANCE.—Nothing in this title shall be
20 construed as authorizing or requiring the purchase of in-
21 surance or reinsurance on a direct loan or loan guarantee
22 from private insurers. If any such reinsurance for a direct
23 loan or loan guarantee is authorized, the cost of such in-
24 surance and any recoveries to the Government shall be in-
25 cluded in the calculation of the cost.

1 “(e) ELIGIBILITY AND ASSISTANCE.—Nothing in this
2 title shall be construed to change the authority or the re-
3 sponsibility of a Federal agency to determine the terms
4 and conditions of eligibility for, or the amount of assist-
5 ance provided by a direct loan or a loan guarantee.

6 **“SEC. 506. TREATMENT OF DEPOSIT INSURANCE AND AGEN-**
7 **CIES AND OTHER INSURANCE PROGRAMS.**

8 “‘This title shall not apply to the credit or insurance
9 activities of the Federal Deposit Insurance Corporation,
10 National Credit Union Administration, Resolution Trust
11 Corporation, Pension Benefit Guaranty Corporation, Na-
12 tional Flood Insurance, National Insurance Development
13 Fund, Crop Insurance, or Tennessee Valley Authority.

14 **“SEC. 507. EFFECT ON OTHER LAWS.**

15 “(a) EFFECT ON OTHER LAWS.—This title shall su-
16 perse, modify, or repeal any provision of law enacted
17 prior to the date of enactment of this title to the extent
18 such provision is inconsistent with this title. Nothing in
19 this title shall be construed to establish a credit limitation
20 on any Federal loan or loan guarantee program.

21 “(b) CREDITING OF COLLECTIONS.—Collections re-
22 sulting from direct loans obligated or loan guarantees
23 committed prior to October 1, 1991, shall be credited to
24 the liquidating accounts of Federal agencies. Amounts so
25 credited shall be available, to the same extent that they

1 were available prior to the date of enactment of this title,
 2 to liquidate obligations arising from such direct loans obli-
 3 gated or loan guarantees committed prior to October 1,
 4 1991, including repayment of any obligations held by the
 5 Secretary of the Treasury or the Federal Financing Bank.
 6 The unobligated balances of such accounts that are in ex-
 7 cess of current needs shall be transferred to the general
 8 fund of the Treasury. Such transfers shall be made from
 9 time to time but, at least once each year.”.

10 (b) CONFORMING AMENDMENT.—The table of con-
 11 tents set forth in section 1(b) of the Congressional Budget
 12 and Impoundment Control Act of 1974 is amended by
 13 striking the items relating to title V and inserting the fol-
 14 lowing:

“TITLE V—FAIR VALUE

“Sec. 500. Short title.

“Sec. 501. Purposes.

“Sec. 502. Definitions.

“Sec. 503. OMB and CBO analysis, coordination, and review.

“Sec. 504. Budgetary treatment.

“Sec. 505. Authorizations.

“Sec. 506. Treatment of deposit insurance and agencies and other insurance
 programs.

“Sec. 507. Effect on other laws.”.

15 **SEC. 102. BUDGETARY ADJUSTMENT.**

16 (a) IN GENERAL.—Section 251(b)(1) of the Balanced
 17 Budget and Emergency Deficit Control Act of 1985 is
 18 amended by adding at the end the following new sentence:
 19 “A change in discretionary spending solely as a result of
 20 the amendment to title V of the Congressional Budget Act

1 of 1974 made by the Budget and Accounting Trans-
 2 parency Act of 2014 shall be treated as a change of con-
 3 cept under this paragraph.”.

4 (b) REPORT.—Before adjusting the discretionary
 5 caps pursuant to the authority provided in subsection (a),
 6 the Office of Management and Budget shall report to the
 7 Committees on the Budget of the House of Representa-
 8 tives and the Senate on the amount of that adjustment,
 9 the methodology used in determining the size of that ad-
 10 justment, and a program-by-program itemization of the
 11 components of that adjustment.

12 (c) SCHEDULE.—The Office of Management and
 13 Budget shall not make an adjustment pursuant to the au-
 14 thority provided in subsection (a) sooner than 60 days
 15 after providing the report required in subsection (b).

16 **SEC. 103. EFFECTIVE DATE.**

17 The amendments made by section 101 shall take ef-
 18 fect beginning with fiscal year 2017.

19 **TITLE II—BUDGETARY**
 20 **TREATMENT**

21 **SEC. 201. CBO AND OMB STUDIES RESPECTING BUDGETING**
 22 **FOR COSTS OF FEDERAL INSURANCE PRO-**
 23 **GRAMS.**

24 Not later than 1 year after the date of enactment
 25 of this Act, the Directors of the Congressional Budget Of-

1 fice and of the Office of Management and Budget shall
2 each prepare a study and make recommendations to the
3 Committees on the Budget of the House of Representa-
4 tives and the Senate as to the feasibility of applying fair
5 value concepts to budgeting for the costs of Federal insur-
6 ance programs.

7 **SEC. 202. ON-BUDGET STATUS OF FANNIE MAE AND**
8 **FREDDIE MAC.**

9 Notwithstanding any other provision of law, the re-
10 ceipts and disbursements, including the administrative ex-
11 penses, of the Federal National Mortgage Association and
12 the Federal Home Loan Mortgage Corporation shall be
13 counted as new budget authority, outlays, receipts, or def-
14 icit or surplus for purposes of—

15 (1) the budget of the United States Govern-
16 ment as submitted by the President;

17 (2) the congressional budget; and

18 (3) the Balanced Budget and Emergency Def-
19 icit Control Act of 1985.

20 **SEC. 203. EFFECTIVE DATE.**

21 Section 202 shall not apply with respect to an enter-
22 prise (as such term is defined in section 1303 of the Fed-
23 eral Housing Enterprises Financial Safety and Soundness
24 Act of 1992 (12 U.S.C. 4502)) after the date that all of
25 the following have occurred:

1 (1) The conservatorship for such enterprise
2 under section 1367 of such Act (12 U.S.C. 4617)
3 has been terminated.

4 (2) The Director of the Federal Housing Fi-
5 nance Agency has certified in writing that such en-
6 terprise has repaid to the Federal Government the
7 maximum amount consistent with minimizing total
8 cost to the Federal Government of the financial as-
9 sistance provided to the enterprise by the Federal
10 Government pursuant to the amendments made by
11 section 1117 of the Housing and Economic Recovery
12 Act of 2008 (Public Law 110–289; 122 Stat. 2683)
13 or otherwise.

14 (3) The charter for the enterprise has been re-
15 voked, annulled, or terminated and the authorizing
16 statute (as such term is defined in such section
17 1303) with respect to the enterprise has been re-
18 pealed.

19 **TITLE III—BUDGET REVIEW AND** 20 **ANALYSIS**

21 **SEC. 301. CBO AND OMB REVIEW AND RECOMMENDATIONS** 22 **RESPECTING RECEIPTS AND COLLECTIONS.**

23 Not later than 1 year after the date of enactment
24 of this Act, the Director of the Office of Management and
25 Budget shall prepare a study of the history of offsetting

1 collections against expenditures and the amount of re-
2 cepts collected annually, the historical application of the
3 budgetary terms “revenue”, “offsetting collections”, and
4 “offsetting receipts”, and review the application of those
5 terms and make recommendations to the Committees on
6 the Budget of the House of Representatives and the Sen-
7 ate of whether such usage should be continued or modi-
8 fied. The Director of the Congressional Budget Office
9 shall review the history and recommendations prepared by
10 the Director of the Office of Management and Budget and
11 shall submit comments and recommendations to such
12 Committees.

13 **SEC. 302. AGENCY BUDGET JUSTIFICATIONS.**

14 Section 1108 of title 31, United States Code, is
15 amended by inserting at the end the following new sub-
16 sections:

17 “(h)(1) Whenever any agency prepares and submits
18 written budget justification materials for any committee
19 of the House of Representatives or the Senate, such agen-
20 cy shall post such budget justification on the same day
21 of such submission on the ‘open’ page of the public website
22 of the agency, and the Office of Management and Budget
23 shall post such budget justification in a centralized loca-
24 tion on its website, in the format developed under para-
25 graph (2). Each agency shall include with its written

1 budget justification the process and methodology the agen-
2 cy is using to comply with the Fair Value Accounting Act
3 of 2014.

4 “(2) The Office of Management and Budget, in con-
5 sultation with the Congressional Budget Office and the
6 Government Accountability Office, shall develop and notify
7 each agency of the format in which to post a budget jus-
8 tification under paragraph (1). Such format shall be de-
9 signed to ensure that posted budget justifications for all
10 agencies—

11 “(A) are searchable, sortable, and downloadable
12 by the public;

13 “(B) are consistent with generally accepted
14 standards and practices for machine-discoverability;

15 “(C) are organized uniformly, in a logical man-
16 ner that makes clear the contents of a budget jus-
17 tification and relationships between data elements
18 within the budget justification and among similar
19 documents; and

20 “(D) use uniform identifiers, including for
21 agencies, bureaus, programs, and projects.

22 “(i)(1) Not later than the day that the Office of Man-
23 agement and Budget issues guidelines, regulations, or cri-
24 teria to agencies on how to calculate the risk component
25 under the Fair Value Accounting Act of 2014, it shall sub-

1 mit a written report to the Committees on the Budget of
2 the House of Representatives and the Senate containing
3 all such guidelines, regulations, or criteria.

4 “(2) For fiscal year 2017 and each of the next four
5 fiscal years thereafter, the Comptroller General shall sub-
6 mit an annual report to the Committees on the Budget
7 of the House of Representatives and the Senate reviewing
8 and evaluating the progress of agencies in the implementa-
9 tion of the Fair Value Accounting Act of 2014.

10 “(3) Such guidelines, regulations, or criteria shall be
11 deemed to be a rule for purposes of section 553 of title
12 5 and shall be issued after notice and opportunity for pub-
13 lic comment in accordance with the procedures under such
14 section.”.

Passed the House of Representatives April 7, 2014.

Attest:

Clerk.

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